



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 31, 2000

William J. Farah, Esq.
Akin, Gump, Strauss, Hauer & Feld, L.L.P.
1333 New Hampshire Avenue, N.W.
Suite 400
Washington, DC 20036

RE: MUR 5054

Dear Mr. Farah:

On July 21, 2000, the Federal Election Commission found that there is reason to believe the Arab American Leadership Political Action Committee (the "Committee") and James Joseph Zogby, as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iv), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

In order to expedite the resolution of this matter, the Commission has also decided to offer to enter into negotiations directed towards reaching a conciliation agreement in settlement of both this matter and MUR 5028 prior to a finding of probable cause to believe. Enclosed is a conciliation agreement that the Commission has approved.

If you are interested in expediting the resolution of MURs 5028 and 5054 by pursuing preprobable cause conciliation, and if you agree with the provisions of the enclosed agreement, please sign and return the agreement, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be

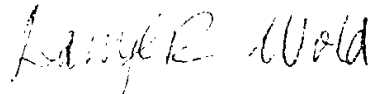
demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

Please have your clients complete the enclosed Statement of Designation of Counsel, as they have done with respect to MUR 5028.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that your clients wish the investigation to be made public.

If you have any questions, please contact David H. Morgenstern, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,

A handwritten signature in dark ink, appearing to read "Darryl R. Wold". The signature is written in a cursive, slightly slanted style.

Darryl R. Wold
Chairman

Enclosures

Factual and Legal Analysis
Designation of Counsel Form
Conciliation Agreement

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Arab American Leadership Political Action Committee MUR: 5054
James Joseph Zogby, as treasurer

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. *See* 2 U.S.C. § 437g(a)(2).

Pursuant to the Federal Election Campaign Act of 1971, as amended ("the Act"), all political committees other than authorized committees of a candidate shall file, in any calendar year, a report covering the period beginning January 1 and ending June 30, which shall be filed no later than July 31. 2 U.S.C. § 434(a)(4)(A)(iv).

The Arab American Leadership Political Action Committee ("the Committee") is a political committee that is not an authorized committee of a candidate. James Joseph Zogby is the treasurer of the Committee.

The Respondents failed to timely file the 1999 Mid-Year Report of Receipts and Disbursements covering the period from January 1, 1999 to June 30, 1999. The Respondents were required to file the 1999 Mid-Year Report no later than July 31, 1999. The 1999 Mid-Year Report, which disclosed \$165.00 in receipts and \$5,500.00 in disbursements, was not filed until November 18, 1999, 110 days late.

The Commission notified the Committee of the filing dates for the 1999 Mid-Year Report on two separate occasions by Prior Notices. The Prior Notices were mailed to the Committee on

December 30, 1998 and June 25, 1999. Both Prior Notices informed the Committee that the 1999 Mid-Year Report was due on July 31, 1999. A Non-Filer Notice was sent to the Committee via mailgram on August 25, 1999.

On September 22, 1999, the Reports Analysis Division ("RAD") analyst called Ethel Ellis, the bookkeeper for the Committee, and told her that the Commission had not received the 1999 Mid-Year Report. Ms. Ellis stated that she was amending all of the Committee's reports and would file the 1999 Mid-Year Report once she completed the amendments. The analyst advised Ms. Ellis to file the missing report as soon as possible and to amend at a later date, if necessary. Ms. Ellis said she would submit the missing report the next day. On November 3, 1999, the RAD analyst called Ms. Ellis and told her that the Commission had still not received the 1999 Mid-Year Report. Ms. Ellis stated that she would bring the missing report to the Commission on November 8, 1999, but failed to do so. On November 10, 1999, the RAD analyst called Ms. Ellis and told her that the Commission had still not received the missing report. Ms. Ellis indicated that she had questions that needed to be answered before she could complete the missing report and said that she would come to the Commission on November 15, 1999.

On November 15, 1999, the RAD analyst met with Ms. Ellis. After a discussion of the Committee's filings, Ms. Ellis stated that she would file the 1999 Mid-Year Report and amended 1998 reports on November 18, 1999. On November 18, 1999, the Committee filed the 1999 Mid-Year Report.

Therefore, there is reason to believe the Arab American Leadership Political Action Committee and James Joseph Zogby, as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iv).